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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Quality Systems, Inc.

v.

Permacrete Systems Limited

Cancellation No. 30,464

I.C. Waddey, Jr. of Waddey & Patterson, PC for Quality Systems, Inc.

Lawrence E. Abelman and Stephen J. Quigley of Abelman, Frayne & Schwab for Permacrete Systems Limited.

Before Simms, Seeherman and Hairston, Administrative Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

Quality Systems, Inc. has petitioned to cancel the registration of Permacrete Systems Limited for the mark PERMACRETE for the following services:

Construction, restoration and repair services, namely concrete construction, cleaning, sealing, sawcutting, core drilling and grooving; preparation of concrete

admixtures and design mixes formulated to customer specifications; finishing and curing services relating to the restoration and repair of concrete surfaces; namely, levelling and polishing of the surfaces for finished used and performing procedures for hardening poured concrete; concrete pump services for moving concrete by means of an hydraulic pump; namely, wet shotcreting prior to pumping, slabjacking (for raising concrete slabs), pressure grouting (to fill voids and pressurize concrete slabs), preparation of cellular foam concrete (addition of foam agents to cement to increase air entrainment in concrete), levelling uneven floors using self levelling concrete, fire proofing steel and concrete pilings; brick and masonry construction, restoration and repair services; namely, pointing and repointing (masonry joint repair) and sealing; coating of concrete, steel and asphalt surfaces; specialty construction product services; namely, grout application, epoxy application, sealer application; construction, restoration and repair of concrete surfaces using hydrostatic pressure release systems (Class 37); and

Preparation and cleaning of concrete, steel and asphalt surfaces; namely, sandblasting, wet sandblasting, high pressure waterblasting, acid etching, shot blasting, waterproofing services; namely, water leakage control and shutoff services to control water leakage and run-off in a variety of commercial, residential and industrial situations (Class 40).¹

¹ Registration No. 1,891,361, issued on April 25, 1995, from an application based on Section 44(e) of the Trademark Act, and claiming a priority date of December 20, 1991, pursuant to Section 44(d) of the Act. The petition to cancel was filed on April 18, 2000, one week before the fifth anniversary of the

As grounds for cancellation, petitioner has alleged that since prior to December 20, 1991 (applicant's priority date), petitioner has used the mark PERMA•CRETE² in conjunction with the advertisement, sale and installation of its cementitious products; that petitioner owns Registration No. 1,701,795 for the mark PERMA•CRETE, and that the filing date of the application which matured into this registration is prior to the priority filing date of respondent's registration; that respondent has

registration, as a result of which all grounds for cancellation were available. See Section 14(1) of the Trademark Act, 15 U.S.C. 1064(1). On April 3, 2001, while this cancellation action was pending, respondent filed a Section 8 affidavit, as required to prevent the cancellation of the registration by operation of law. In that affidavit, respondent indicated that it was using the mark only for some of the services recited in the identification of services. Because the cancellation action was pending, respondent could not remove those services from consideration in the proceeding without the consent of petitioner. To do so would be in the nature of an amendment of the registration. See Trademark Rule 2.133(a). Accordingly, although in acting on the Section 8 affidavit, on April 28, 2003, the Post-Registration section of the Office deleted certain services, for purposes of our decision herein on the ground of likelihood of confusion, we must treat the registration as encompassing the services in the registration as originally issued. They are the services which were in the registration when the petition to cancel was filed and throughout the entire trial of this proceeding. For informational purposes, the identification as amended after the Section 8 deletions reads as follows:

construction, restoration, repair, finishing, curing, concrete pump, brick and masonry construction and coating services (Class 37); preparation and cleaning of concrete, steel and asphalt surfaces and waterproofing services (Class 40).

² Although petitioner has identified its mark as "PERMA-CRETE" in the petition for cancellation, the evidence shows that the mark as registered and as actually used is PERMA•CRETE, and we will therefore use this format throughout this opinion.

only recently begun using the mark PERMACRETE in connection with services in the United States or in commerce within the United States; that respondent's mark as used in connection with its identified services is likely to cause confusion with petitioner's mark for its goods; and that petitioner has acknowledged the likelihood of confusion by changing its mark from PERMA•CRETE to POLAR CRETE when it began selling its products in Canada.

In its answer, respondent has denied the salient allegations of the petition to cancel, and has asserted, as an affirmative defense, that petitioner has acquiesced to the use and registration of respondent's mark and to certain third-party marks.³

The record includes the pleadings; the file of the registration sought to be cancelled; the discovery deposition, with exhibits, of George A. Henderson, president of petitioner, stipulated by the parties to be treated as a testimony deposition; the discovery and testimony depositions, with exhibits, of William G. Cole, president of respondent; and the rebuttal testimony, with

³ Respondent also included four additional paragraphs as affirmative defenses, but these are not, in fact, affirmative defenses, but assertions that relate to its position that there is no likelihood of confusion.

exhibits, of Greg C. Hill and William G. Cole; certain documents, submitted by stipulation of the parties; and petitioner's and respondent's respective responses to the other's first set of interrogatories, the parties having stipulated that each could rely on their own responses. Petitioner submitted, under notice of reliance, the discovery deposition, with exhibits, of William Cole; respondent's answers to petitioner's first set of requests for admission; and a status and title copy of petitioner's pleaded registration. Petitioner also submitted, as part of its rebuttal evidence, a notice of reliance on various third-party registrations; website material, submitted with the declaration of Charles Harvey, vice-president of Anchor Technology, Inc., stipulated into the record by respondent; and Internet materials, also treated as of record by respondent.

The proceeding has been fully briefed,⁴ but an oral hearing was not requested.

With its brief, petitioner has included a three-page list of evidentiary objections. In view of the large

⁴ Both parties, with their briefs, submitted as exhibits copies of much of the material that had previously been made of record, e.g., entire copies of deposition transcripts. The parties are advised that this unnecessarily clutters the file, especially as three copies of final briefs are required, and thus three sets of exhibits to the briefs were also filed.

number of objections, and so as to not burden this opinion with an extended discussion of each, we will deal with them in a summary manner. These objections are all made with respect to the testimony and exhibits of William Cole in his February 13, 2002 testimony deposition. With the exception of objection 7 relating to the Tim Horton's franchises, which testimony respondent acknowledges to be irrelevant, we overrule the objections, although, insofar as the hearsay objections to the exhibits, we have not considered the exhibits as demonstrating the truth of the statements made therein. Further, to the extent that Mr. Cole was unsure of some of the information regarding the exhibits, this goes to the weight which we have accorded to them.

We turn first to respondent's affirmative defense of acquiescence. In its brief, respondent does not discuss the affirmative defense of acquiescence. Rather, respondent has discussed the affirmative defense of laches in connection with the duPont factor⁵ of "the market interface between applicant and the owner of a prior mark: laches and estoppel attributable to owner of prior mark and indicative of lack of confusion." Thus,

⁵ In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).

we provide a limited discussion of the defense of acquiescence.

Petitioner, a U.S. company located in Tennessee, and respondent, a Canadian company, entered into a business relationship in 1996. This arose because petitioner wanted to sell its PERMA•CRETE products in Canada, but respondent owned a Canadian registration for this mark. As a result, when respondent contacted petitioner about entering into a relationship, petitioner decided to make respondent its distributor in Canada. However, during the negotiations for this agreement, there is no clear evidence that petitioner was aware that respondent was selling its PERMACRETE products in the United States. Mr. Cole testified that during the negotiations Greg Hill, petitioner's vice president, was asked if petitioner would have any problem with respondent's continued promotion and sale of its products to its dealers in the United States. Mr. Hill, however, specifically contradicted Mr. Cole's report of the conversation; he testified that the negotiations were solely about petitioner's marketing its products through respondent in Canada; and that he did not know what kind of products respondent was selling in the United States. In view of the contradictory testimony, we cannot say

that respondent has established its defense of acquiescence.

This brings us to the defense of laches. Although this defense was not specifically pleaded in respondent's answer, the parties have argued this defense in their briefs, and there is evidence that relates to such a defense. As a result, we deem the pleadings to be amended under FRCP 15(b) to assert this defense.

To prevail on the affirmative defense of laches, respondent had to establish that there was undue or unreasonable delay by petitioner in asserting its rights, and prejudice to respondent resulting from the delay. *Bridgestone/Firestone Research Inc. v. Automobile Club de l'Ouest de la France*, 245 F.3d 1359, 58 USPQ2d 1460 (Fed. Cir. 2001). There is evidence that in September 1992 petitioner's former attorney received a Trademark Watch Service notice reporting the filing of respondent's application for PERMACRETE in the United States. However, because the application was based on Section 44(e) of the Trademark Act, rather than on use in commerce, and because petitioner was unaware of any use of the mark in the United States, petitioner did not (and, indeed, could not) take any action at that point. Thus, for purposes of determining whether there has been

undue delay, we look to the August 30, 1994 publication date and the April 25, 1995 issue date of the subject registration. See *National Cable Television Ass'n, Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 1581, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991) (laches runs from the time from which action could be taken against the trademark rights inhering upon registration). Petitioner brought this cancellation proceeding on April 18, 2000, almost six years after the publication date and just one week before likelihood of confusion would have been unavailable as a ground for cancellation, i.e., one week before the fifth anniversary of the registration. See 15 U.S.C. 1064(1).

The two factors of unreasonable delay and prejudice must be considered together. On its face, the delay cannot be viewed as unreasonable, since the Trademark Act provides that a cancellation action may be brought on the ground of likelihood of confusion up until the point that a registration is five years old. We would also point out that the registration date is only constructive notice of respondent's registration; petitioner did not have actual notice of respondent's use of the mark in the United States until the year 2000, shortly before the petition for cancellation was filed. As for prejudice

resulting to respondent from this delay in asserting its rights, respondent states only that in reliance on petitioner's silence, respondent continued to promote and open franchises and dealers in the United States.

According to the record, though, the total number of dealers or franchisees that respondent has ever had in the United States is less than ten, and two franchises came into effect before respondent's mark was published for opposition. Another franchise, which began in November 1994, ended in 1996, while another business was discontinued in March of 1999, and another, which was established in October 1998, was discontinued in 2001. Thus, as of May 2000, respondent had only four dealerships or franchises in the United States, and one was for a company that became a dealer only as a way to get products for its own personal use at a dealer's discount. Respondent has not submitted any evidence as to the amount of its sales in the United States or its advertising expenditures. In fact, much of respondent's advertising has been not for its services, but for franchisees, and the publications in which respondent has advertised circulate in Canada as well as the United States, where respondent has found a greater number of franchisees. The advertisements which were placed in

U.S. newspapers were done in July and early August of 1994, before the publication of respondent's mark, and therefore could not have been made in reliance on petitioner's inaction.

Accordingly, we find that respondent has not demonstrated that petitioner's claim is barred by laches.

We turn now to the issue of priority, which is a prerequisite for finding likelihood of confusion. Petitioner's president has testified that the company began using the mark PERMA•CRETE as of October 1990 for concrete resurfacing products. The first of its dealerships opened in November 1990, and four were open by the end of 1990. It had 40 dealers by the end of 1991. Petitioner owns a registration, which is of record, for PERMA•CRETE for "cementitious products for resurfacing concrete, masonry [sic], aggregate, stucco, wood, steel, and other such surfaces."⁶ The application for such registration was filed on February 20, 1991, and therefore petitioner may also rely on this date for the use of its mark for these goods. See *Hilson Research Inc. v. Society for Human Resource Management*, 27 USPQ2d 1423, 1428-29 (TTAB 1993) at n. 13.

⁶ Registration No. 1,701,795, issued July 21, 1992; Section 8 affidavit accepted; Section 15 affidavit received; renewed.

Respondent has acknowledged that, except for use made by the father and brother of respondent's president and owner, respondent made no sales of products or services under the mark PERMACRETE in the United States prior to February 20, 1991. Also, because the application from which respondent's registration issued claimed a right of priority under Section 44 of the Act, respondent may rely on the December 20, 1991 filing date of its Canadian application.

Petitioner discussed at length in its brief the reasons why the use by Mr. Cole's father and brother does not inure to the benefit of respondent. Perhaps respondent was persuaded by petitioner's arguments; in any event, respondent has evidently decided not to pursue a claim of priority based on this use, because its brief does not discuss the issue of priority, but only that of likelihood of confusion.

We agree that respondent has not demonstrated that it has priority. Mr. Cole testified that in 1985-86 his father started a business located in Mobile, Alabama which did high-pressure washing of buildings, parking lots and tractor trailers. Mr. Cole agreed to his father using the name PERMACRETE for this business. Mr. Cole stated that the company had some interest in expanding

into restoration of concrete buildings, brick buildings and so forth, but there is no evidence that this ever occurred. Mr. Cole did not have an active role in this business; he did not oversee the work that was performed, or provide any guidelines or requirements that the company had to satisfy. Mr. Cole submitted a flyer for "Perm-a-Crete" which advertised "Pressure Cleaning," and a business card for Kenneth Cole with the copy "Perm-a-Crete," "WE DON'T WASH, WE CLEAN" and "Hot High Pressure Cleaning." There is nothing in the materials which respondent submitted that shows Mr. Cole's father's company actually did any concrete restoration work. Further, Mr. Cole did not have any knowledge as to the distribution of any promotional materials. The company ceased doing business in 1990 or 1991.

Thus, it is not clear that any use by Mr. Cole's father would inure to the benefit of respondent. To the extent that this informal arrangement was in the nature of a license, it was a license without any quality control. More importantly, even if we accept that Mr. Cole's testimony established that he, through his father's company, made use of the mark PERMACRETE (or PERM-A-CRETE) in the United States in the latter half of the 1980's, such use was for power washing services.

There is no support in this record that concrete restoration services are a natural expansion of power washing services, and therefore respondent cannot show priority of use of PERMACRETE for concrete restoration services. Similarly, although respondent's registration in Class 40 includes "high pressure waterblasting," this service is part of "preparation of concrete", and there is no evidence that Mr. Cole's father's power-washing activities were for the preparation of concrete.

This brings us to the issue of likelihood of confusion. Our determination of this issue is based on an analysis of all of the probative facts in evidence that are relevant to the factors set forth in *In re E. I. du Pont de Nemours & Co.*, supra. The parties have discussed many, but not all of the factors listed in the duPont decision. Although we have considered the evidence as it pertains to all the relevant factors, we, too, will focus our opinion on those factors which the parties have deemed to be most relevant.

With respect to the marks, they are virtually identical. Respondent asserts that there is a "prominent dot" between the elements "Perma" and "Crete" in petitioner's mark which is not present in respondent's mark. Although we cannot ignore this dot in our

consideration of the two marks, we do not find that it distinguishes the marks. The marks are identical in pronunciation and in connotation, despite the presence or absence of the dot. This similarity is particularly important because both parties market their products through radio advertising. As for appearance, although one mark has a dot and the other does not, it does not significantly affect the overall appearance of either mark. While the dot in petitioner's mark emphasizes the two elements which make up the mark, we think that these elements are readily apparent in respondent's mark, even though they are not physically separated. Thus, we find that the marks are virtually identical in commercial impression, and this factor strongly favors petitioner.

The next duPont factor relates to the parties' goods and services. Petitioner and its dealers provide concrete resurfacing services, using PERMA•CRETE products to perform the services. These dealers include home builders, pool builders, contractors and entrepreneurs, as well as institutions such as colleges that purchase the products for their own use. Homeowners having a resurfacing product done see the containers bearing the PERMA•CRETE mark. Dealers also indicate that they are "Permacrete Dealers," such as by using the mark

PERMA•CRETE as part of a logo on letterhead, business cards and door signage. Petitioner does not sell its products to a non-dealer, so if a homeowner wants his contractor to use the products, the contractor would have to become a dealer.

Petitioner's PERMA•CRETE products can be used to waterproof concrete basements and foundations. They are also used to repair cracks. To resurface an area, it would first be cleaned, then repaired, and then resurfaced.

Petitioner advertises for dealers in newspapers such as the "Wall Street Journal" and "Atlanta Constitution"; trade journals such as "Pool and Spa News" and "Concrete Repair Digest"; trade shows such as World of Concrete, the National Association of Home Builders, National Remodelers Show, and other construction shows; and direct mail to contractors and other industry groups. These advertisements both advertise petitioner's PERMA•CRETE surface and resurfacing products and urge readers to become dealers.

Petitioner also advertises its PERMA•CRETE products in consumer publications such as "Home Building", which is sold through such establishments as Home Depot and Lowe's, as well as at newsstands; direct mail flyers;

home shows; radio; and billboards. In addition, petitioner participates in co-op advertising done by its dealers.

Petitioner maintains a website at <http://www.permacrete.com> which attracts inquiries from entities that want to become PERMA•CRETE dealers, and also inquiries from consumers that want to have PERMA•CRETE products installed.

Respondent and its dealers offer various concrete restoration and repair services, including waterproofing services, although not all the services listed in its registration are offered in the United States. Respondent also manufactures products used in connection with its services, and sells them under the name PERMACRETE.

It markets its products through radio, television, newspapers, trade magazines, dealers and franchisees. With the exception of one company which became a dealer to obtain the products, respondent's PERMACRETE products are not sold directly to consumers, but are normally applied by an authorized dealer. Respondent's Kansas City dealer, in addition to using respondent's products to fix leaky basements, also does resurfacing work.

The relatedness of petitioner's products and

respondent's services is clear. The record shows that petitioner's PERMA•CRETE products are used in connection with concrete resurfacing services; respondent uses its various PERMACRETE products in connection with its PERMACRETE concrete restoration and repair services. The goods and services are, thus, complementary, and as the marketing activities of these parties show, they are intertwined. Respondent has argued that concrete resurfacing services and concrete repair and restoration services are different, although it appears to us that this difference is largely a matter of semantics. Resurfacing a surface involves repair of cracks, as do repair services. Further, as petitioner points out, respondent's service of "leveling uneven floors using self leveling concrete" is, in effect, a resurfacing. However, to the extent that there is a distinction between concrete resurfacing services and concrete repair and restoration services (largely due to the amount of area that is being treated), the record shows that both concrete repair and concrete resurfacing can be done by the same entities. In fact, some of respondent's own franchisees or dealers in Canada perform both types of services, using PERMACRETE products, and one of respondent's dealers in the United States performs both

services, although it does not use respondent's PERMACRETE resurfacing products. Respondent has also entered into an agreement with petitioner to sell petitioner's products in Canada. In addition, the website material from www.dynafloor.com lists, inter alia, "resurfacing systems," "concrete cleaning-shotblasting and scarifying," "joint and crack repairs," and "concrete patching," while the website of E.L.S. Products Corp. is headed "Concrete Repair & Resurfacing", and lists "resurfacing, crack filling, slip proofing, anchoring and sealing." www.elsproducts.com. Finally, the declaration of Charles Harvey, vice president of Anchor Technology, Inc., testifies that his company sells products used for concrete coating and resurfacing, and for waterproofing basement and other concrete areas.

Petitioner's goods and respondent's services in Class 37 are also related, in that the "preparation and cleaning of concrete" identified in respondent's registration is generally the first step in the concrete resurfacing in which petitioner's products are used.

The factor of the similarity of the goods and services favors petitioner.

With respect to the factor of trade channels, petitioner's products are applied by its authorized

dealers, while respondent's services are rendered by its dealers or franchisees. The ultimate consumers for these products and services include homeowners as well as businesses and institutions. The dealers for both parties can include contractors. Moreover, although the ultimate consumers may not directly purchase petitioner's products, they would be aware that the particular contractor or dealer of petitioner uses PERMA•CRETE products in performing resurfacing work. As previously discussed, petitioner's dealers indicate to their ultimate customers that they use PERMA•CRETE products. Petitioner even makes available to its dealers a sales portfolio of materials featuring the PERMA•CRETE mark, which is designed to show these customers the benefits of the PERMA•CRETE products. As for respondent, the majority of the products it uses in rendering its services have the term PERMACRETE on them. Thus, although the specific dealers the parties use may be different, both the products and services are offered to homeowners and other building owners through contractors and others who do concrete work. A homeowner who has had concrete resurfacing work performed using PERMA•CRETE products is likely to assume, upon encountering concrete restoration and repair services rendered under the mark

PERMACRETE, that the goods and services emanate from or are sponsored by the same source.

Respondent has argued that the parties do not attend the same trade shows and that they advertise in different publications. Even if this were true, this does not prove that the parties' goods and services travel in different channels of trade. Respondent has a relatively limited presence in the United States, and its advertising in this country also appears to be relatively limited. In point of fact, however, both parties have attended the World of Concrete trade show, and both advertise in newspapers and other publications, as well as on radio. That respondent may not advertise in the identical newspapers and publications or on the same radio stations or programs that petitioner does is of no moment; we must consider the goods and services as they are identified in the respective registrations, and assume that they can travel in all appropriate channels of trade for those goods and services (and can be advertised in all media that are appropriate to those channels of trade). See *Canadian Imperial Bank of Commerce v. Wells Fargo Bank*, NA, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987).

Thus, this factor favors petitioner.

The fourth duPont factor is the conditions under which and buyers to whom sales are made. It can be presumed that homeowners and building owners who would be the ultimate purchasers of the parties' goods and services would exercise a degree of care. However, because the marks are virtually identical, even careful purchasers are likely to be confused. Thus, this factor is at best neutral.

With respect to the factor of fame, petitioner has used its mark since 1991, and has over 600 dealers, located in virtually every state of the United States. It has also spent over \$900,000 on advertising in the United States between 1996 and 2001.⁷ However, based on the evidence of record, we cannot say that petitioner has established that its mark is famous. Petitioner contends in its reply brief that its advertising expenditures are "a substantial investment in promoting Petitioner's trademark and name," p. 11, but it has not provided any information as to how this sum might compare with the advertising of other such companies, or of how successful the advertising has been in terms of petitioner's market share.

⁷ Although petitioner had submitted its advertising figures under seal, it listed them in its brief, and therefore we have not treated them as confidential.

Thus, the factor of fame does not favor petitioner.

The sixth duPont factor is the number and nature of similar marks in use on similar goods. In connection with this factor, respondent has pointed to several third-party applications and registrations, including a registration which has expired. Third-party registrations are not evidence that the marks shown therein are in use (and third-party applications are evidence only of the fact that they have been filed). However, the registrations can be used to show that a term has a certain significance within an industry. In this case, even without the evidence of the third-party registrations, petitioner's mark PERMA•CRETE must be considered suggestive. Petitioner's president testified that the mark was chosen because "perma" indicates permanence and "crete" is for concrete. We think the mark would suggest this meaning to anyone viewing it.⁸ Suggestive marks are not entitled to the broad scope of protection that would be accorded an arbitrary mark.

As for actual third-party use, the evidence as to

⁸ Respondent states in its brief that PERMA•CRETE may have a descriptive significance as applied to cement based goods. We find such a statement curious in view of respondent's own registration for PERMACRETE. In any event, respondent cannot attack petitioner's registration, which is more than five years old, on the ground that it is merely descriptive.

this is very limited. During his deposition petitioner's president, Mr. Henderson, was asked whether the use of PERMACRETE for goods identified in various registrations and other documents would be of concern to petitioner. Mr. Henderson was not aware of whether most of the third-party trademarks were in use. Mr. Henderson was asked about a brochure which petitioner produced during discovery from a company offering "PermaCrete Pool Systems" pools. Mr. Henderson was not familiar with this company. It appears from the brochure that the company installs swimming pools which have concrete walls. Petitioner also produced an undated letter with the salutation "Dear Neighbor" from Arthur Edwards Pool & Spa Centre which includes, on the stationery, the phrase "PC PermaCrete Pool Systems." In 1994, petitioner received a letter from a law firm representing C.L. Industries, Inc. which stated that the company supplies aggregate cement finish used for swimming pools in Florida since 1975 and in Georgia since 1990. Mr. Henderson did not recall what action petitioner may have taken in response to that letter, but he did know that petitioner does not advertise in Florida or Georgia, and he did not think it had any dealers in Florida. In 2001 petitioner's attorneys wrote a cease and desist letter to a company

using the phrase PERMA BRUSH CRETE for masonry waterproofing products. Mr. Henderson did not have any knowledge as to how this company markets and sells its products.

Mr. Henderson was aware of use by Flaherty-Wick, Inc., a use to which petitioner objected, and as a result of which that company changed its product name. There was also evidence of use of PERMA-CRETE by a company called Courtaldis Coating, Inc., but Mr. Henderson explained that its product was different in application, composition and purpose from petitioner's, that essentially it was just a paint. Petitioner entered into an agreement with this company consenting to Courtland's registration of PERMA-CRETE. The agreement explains that there are differences in the parties' products, their application, and in the channels of trade through which they are sold.

This evidence of third-party use, like the suggestive significance of the term PERMA•CRETE, demonstrates that petitioner's mark is not entitled to a broad scope of protection. In this respect, this factor favors respondent, although, as we noted above, the evidence about the extent of third-party use is limited. We also disagree with respondent's contention that

consumers are so used to seeing PERMACRETE marks in the marketplace that they would look to the dot in petitioner's mark, and the absence of the dot in respondent's, as a way to distinguish the marks. As we have already discussed, the dot does not change the commercial impressions of the marks. Further, even though petitioner's mark is entitled to a limited scope of protection, we find that this protection extends to the use of the virtually identical mark PERMACRETE for concrete restoration and repair services and preparation and cleaning of concrete.

The next duPont factor that has been discussed is that of actual confusion. Petitioner points to several incidents of what it contends is actual confusion. However, two of the incidents involved emails that were sent to petitioner, rather than respondent, and it appears to us that the confusion was as to respondent's address, rather than to a belief that petitioner was the source of respondent's goods. The third group of incidents resulted from radio advertising done by petitioner at NASCAR race events, as part of which listeners were told to call for a free T-shirt. Respondent received many of these phone calls. However, the giveaway was not limited to potential dealers or

purchasers of petitioner's products, and we cannot say that this confusion was as to the source of petitioner's products. At most, these incidents show that it is difficult, if not impossible, to distinguish between petitioner's and respondent's marks. We treat this factor as neutral.

Related to this factor is the length of time and conditions under which there has been concurrent use without evidence of actual confusion. Because of the limited nature of respondent's activities in the United States, e.g., the limited number of dealers that it has had, the lack of information about sales of its identified services in this country, and the limited information about advertising of its identified services (as opposed to its advertising for dealers) in this country, the lack of evidence of actual confusion does not favor respondent.

After reviewing the evidence regarding the various duPont factors, we conclude that, although petitioner's mark is not entitled to a broad scope of protection and the goods and services are purchased with care, the similarity of the marks and the closely related nature of the goods and services outweigh the duPont factors that favor respondent. We find that respondent's mark

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PERMACRETE used on the services identified in respondent's registration is likely to cause confusion with petitioner's mark PERMA•CRETE for its identified goods.

Decision: The petition for cancellation is granted.